

STATE PROPERTIES COMMITTEE

Tuesday, August 15, 2006

The meeting of the State Properties Committee was called to order at 10:15 a.m. by Chairman Robert Griffith. Other members present were Mr. Richard Woolley representing the Rhode Island Department of Attorney General and Robert Kay, Public Member. Also in attendance were Anthony DeQuattro, William McCarthy, John Glynn, and Valeria Bianco from the Rhode Island Department of Transportation; J. Vernon Wyman from the University of Rhode Island; and Robert C. Bromley from Senate Fiscal Office.

The next meeting of the State Properties Committee is scheduled to be held on Wednesday, August 30, 2006 at 9:00 a.m. A motion was made to approve the minutes from the State Properties Committee meeting held on Tuesday, August 1, 2006, by Mr. Kay and seconded by Mr. Woolley. Mr. Woolley stated for the record that he had neither reviewed said minutes, nor attended the meeting of the State Properties Committee held on August 1, 2006.

Passed Unanimously

ITEM A – Board of Governors/University of Rhode Island - A request was made for approval to remove the vacant Theta Delta Chi fraternity building located at 22 East Alumni Avenue on the Kingston Campus in order to construct an addition to the University's adjacent Tyler Hall building. Mr. Wyman explained that on May 9, 2006, the State Properties Committee approved the acquisition of this vacant fraternity house. Mr. Wyman indicated that the University of Rhode Island is now seeking approval to remove the building to make way for an addition to the Tyler Hall building before the

start of the fall semester. Mr. Kay asked if the building will be demolished or moved to another location. Mr. Wyman stated that as the building has been subjected to a significant amount of damage including fire damage, the building will be demolished. Mr. Woolley asked if this request is for both the acquisition and removal of the building as indicated in the letter to the State Properties Committee dated July 24, 2006. Mr. Wyman stated that as the acquisition was previously approved by the both the Board of Governors and the State Properties Committee, the request before the State Properties Committee today is for approval to remove the vacant building. Mr. Griffith asked whether the Historical Preservation & Heritage Commission has been contacted to ensure that the building does not have any historical significance, which should be noted prior to its removal. Mr. Wyman stated that a list of historically significant properties has been reviewed and there is no indication that this building has any historical significance whatsoever. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM B – Department of Transportation - A request was made for approval of and signatures on a License Agreement between the Department of Transportation and Anthony Polseno D/B/A Pleasant View Orchards for two hundred (200) square feet of land located on Route 116 in Lincoln, Rhode Island to be utilized for the operation of a farm stand. Mr. DeQuattro explained that this is a seasonal License Agreement. The term of the License Agreement runs from July through Columbus Day in October. The license payment is Three Hundred and 00/100 (\$300.00) Dollars. Mr. DeQuattro stated that the applicant is a farmer and he sells his produce during this time. Mr. Woolley asked if there is any type of structure left on the property during the term of the License

Agreement. Mr. DeQuattro stated that the building is situated on Mr. Polsena's property not State-owned property. Mr. DeQuattro explained that the licensed property consists of two hundred (200) square feet of land in front of Mr. Polseno's property, which allows potential customers to pull off the main road to avoid collision. A motion to approve was made by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEMS C and D – Department of Transportation – A request was made for approval of and signatures on Consent Agreements to assign the Easement Agreements, dated July 26, 1996 and September 18, 2001, from Prov Gas, Division of the New England Division of Southern Union Company to National Grid USA. Mr. McCarthy stated that the Department of Transportation was recently advised that Southern Union Company, a Delaware corporation, is in the process of transferring substantially all of its assets to National Grid, USA. Mr. McCarthy explained that the Department of Transportation currently has two (2) Easement Agreements with the company formerly known as Providence Gas. Both National Grid and Providence Gas have requested that the Department of Transportation transfer said Easement Agreements to the new parent company, National Grid, USA. Mr. McCarthy indicated that the Department of Transportation is requesting approval and execution of two Consent Agreements for the assignment of easement rights from one company to the other. The first Consent Agreement concerns a sixty four thousand (64,000) square foot facility located near T.F. Green Airport. The second Consent Agreement concerns the use of approximately one thousand three hundred twenty (1,320) square feet of land located within the right of way of the Newport Secondary Railroad right of way and the Chandler Street crossing in

Middletown, Rhode Island. Mr. McCarthy explained that pursuant to paragraph K of the original easement agreement, the Grantee is required to notify the Department of Transportation within sixty (60) days of a transfer. In this instance, the Grantee has notified the Department of Transportation prior to the actual transfer of assets. Mr. Woolley indicated that he had spoken to Deputy Attorney General, Gerald J. Coyne, who expressed concerns regarding these Consent Agreements being premature. Mr. Woolley indicated that it is Mr. Coyne's understanding the transaction between Southern Union Company and National Grid, USA may not occur. Mr. Woolley expressed his own concern that the documents are too open ended. Mr. Griffith indicated that as the Department of Transportation has been notified of the transfer early, then it would seem that there would be no undue harm if the State Properties Committee tabled these items to a future meeting. Mr. McCarthy apologized for any misunderstanding concerning the transfer, but stated that a representative of the legal office had indicated to the Department of Transportation that the transfer was a done deal. Mr. Woolley also apologized for any conflicting information. Mr. Woolley again expressed his concerns regarding the language of the documents being too general. A motion to was made to table both Item C and Item D and seconded by Mr. Kay.

Passed Unanimously

ITEM E – Department of Transportation – A request was made for approval and execution of a License Agreement between the Department of Transportation and Luke's Church Corporation for approximately 763.5 square feet of State property located at 108 Washington Road in Barrington, Rhode Island. Mr. Glynn explained this is a renewal of a license agreement for a term of five (5) years. The license fee is \$600.00 per year. The

subject property will be utilized for parking. After a brief discussion, Mr. Griffith clarified that there is adequate liability insurance associated with this License Agreement. A motion to approve was made by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM F – Department of Transportation – This item was removed from the State Properties Committee agenda at the request of the Department of Transportation

ITEM G – Department of Transportation - A request was made for approval of and signatures on a Discharge and Release of Reversionary Rights and Amendment of Quit Claim Deed between the Department of Transportation and Albert W. Pari for 1.034± acres of land along Route 146 (Louisquisset Pike) in North Providence. Mr. McCarthy explained that in September of 1955 the Department of Transportation acquired large tracks of land for the construction of Route 146 in North Providence. In April 29, 1969, the State Properties Committee approved the sale of approximately 1.034 acres of land located near Mineral Spring Avenue at Route 146 to Albert W. Pari et ux. The parcel remained undeveloped for years, however, in 2003, the property was transferred to Angela L. Pari Trust 2003, Karen Dedarian, Trustee. Approximately three (3) months ago, the Department of Transportation received correspondence from Karen Dedarian's attorney which indicated they wished to sell the property; however, the deed contains two specific restrictions preventing them from doing so. The first restriction is the antidiscrimination restriction and the second concerns the construction of outdoor advertisement on the property. In the 1960s, the Department of Transportation utilized a reverter clause, which provided that if a grantee violated either of the restrictions, the property would immediately revert back to the State of Rhode Island. The Department

of Transportation also received a letter from an attorney representing a prospective buyer, which indicated that because the deed contained the reverter clauses, the lender would not finance the sale of the property. Attorney Michael Mitchell and the attorneys for the applicant and buyer decided to replace the previous conditions with conditions, which the State of Rhode Island currently utilizes. Therefore, both the antidiscrimination condition and outdoor advertising condition will continue, but the reverter clause will be removed. A motion to approve was made by Mr. Kay and seconded by Mr. Woolley.

Passed Unanimously

ITEM H – Department of Transportation - A request was made for approval of and signatures on a License Agreement between the Department of Transportation and East Gate Apartments, LLC for approximately 6,300 sq. ft. of State-owned property on Wampanoag Trail in East Providence. Ms. Bianco stated that the License Agreement is for a term of twenty (20) years. The subject property will be utilized for visitor parking and beautification. Ms. Bianco indicated that East Gate Apartments, LLC has complied with all insurance requirements. The License Agreement commences on July 1, 2006, and ends on June 30, 2026. The license fee is \$578.00 per month. The Department of Transportation has the right to review said fee every three (3) years. Mr. Griffith explained that the State Properties Committee recently approved the demolition of a stone structure located in this area. Mr. Griffith asked if the subject property was part of that area. Ms. Bianco stated that the subject property is separate and apart from the previous approval. A motion to approve was made by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM I – Commission of Human Rights – This item was deferred to a future meeting of the State Properties Committee at the request of the Commission of Human.

There being no further business to come before the State Properties Committee, the meeting was adjourned at 10:42 a.m. A motion was made to adjourn by Mr. Kay and seconded by Mr. Woolley.

Passed Unanimously

Holly H. Rhodes, Executive Secretary